From: John Katz [jwkatz@ALASKADC.org]

Sent: Monday, June 25, 2007 12:26 PM

To: Governor Sarah Palin

Cc: Bishop; Samuel T (GOV); Perry; Kristina Y (GOV); Tibbles; Michael A (GOV); Nizich; Michael A (GOV)

Subject: Interior Appropriations/Riders

Mike Nizich asked me to respond to your request for further information concerning my previous email on riders in the House Appropriations process.

The Interior Appropriations Bill will be debated on the House Floor tomorrow. Several amendments are expected, including at least four that would affect Alaska. We don't yet know exactly which amendments will be proposed.

• The Udall Amendment would prevent the use of recordable disclaimers of interest to confirm RS 2477 Rights of Way and would prohibit the use of a series of decisions issued by former Secretary Gale Norton. Recordable disclaimers can be issued by the BLM to confirm Rights of Way or navigable waters decisions. They are seen as a cost effective alternative to protracted litigation. Secretary Norton's RS 2477 decisions were based on a Tenth Circuit Court decision deemed favorable to the Western public land states.

The state has opposed a previous version of the Udall Amendment, and we have consulted with DNR on this one. The amendment would probably have no significant impact now, but it could later on. Alaska and Utah would be the principal victims.

• The King Cove Amendment, if introduced, would prohibit the proposed land exchange between Interior, the State, and the village of King Cove. Recently, the Congressional delegation proposed legislation to consummate the exchange, and you have previously expressed your support for the exchange.

The legislation is pending before the House Resources Committee. The amendment would have the effect of preempting the normal legislative process in favor of an appropriations rider.

- The Tongass Amendment would prohibit the use of Federal funds to construct timber roads in roadless areas. The amendment has been opposed previously by the state and the timber industry, because it would preempt the Tongass planning process and cripple the industry by denying access to certain timber sales. Our current concern with the amendment is premised on the state's recent comments to the Forest Service regarding TLMP revisions.
- The Polar Bear Amendment would prohibit the importation of bear parts from Canada. The Department of Fish and Game, Interior, and the International Association of Fish and Wildlife agencies oppose the

amendment.

Trophy hunting of Polar Bears is extremely important to the indigenous people of Canada. Guided hunts provide income and an incentive to conserve the resource. Some of the funds are used to implement the polar bear management program in Canada.

The amendment would have the effect of curtailing hunting, but the USFWS doesn't believe that hunting is the problem. The amendment does nothing to deal with the loss of critical habitat, which is the factor that the USFWS has identified as the problem.

• During committee consideration, the House Appropriations Committee adopted legislative history requiring that certain studies occur in Bristol Bay before lease sales could occur. These studies would focus on environmental, economic, and oil spill considerations. Because these studies are similar to what would be required in any event under the National Environmental Policy Act, Interior and the oil industry had no objection. Also, there is legislation pending before the House Resources Committee that would prohibit a lease sale.

Accordingly, it is thought that an amendment will not be proposed or, if it is, it will be opposed on the grounds that the committee report language already addresses the subject.

With all of this in mind, I felt comfortable contacting Congressman Young's staff to offer our assistance. Our opposition to the above amendments seems consistent with positions you have taken on related issues and/or with discussions with members of the Cabinet. The situation here is moving so quickly that I felt the need to express our concerns as soon as the news of the amendments became public.

If I can provide further information, or if you have any concerns about the forgoing, please let me know.

Please note that my email address has changed. My new email address is jwkatz@alaskadc.org. Thank you .

From:

Tibbles, Michael A (GOV) [mike.tibbles@alaska.gov]

Sent:

Monday, June 25, 2007 9:36 PM

To:

gov.sarah@yahoo.com

Subject:

Chef

Governor,

I called Nizich at home and cell but unfortunately I was unable to reach him. I can get him in the morning for sure but I wanted to get back to you with an update (or lack there of

)

Mike

---- Original Message -----

From: gov.sarah@yahoo.com <gov.sarah@yahoo.com>

To: Tibbles, Michael A (GOV)

Sent: Mon Jun 25 13:53:19 2007

Subject: Fw: Quick notes on a few things we're hearing

Pls read - esp part about Kodiak facility

Sent from my BlackBerry® device from Cellular One

----Original Message----

From: Sean R Parnell <sr_parnell@gov.state.ak.us>

Date: Mon, 25 Jun 2007 13:48:28

To:gov.sarah@yahoo.com

Subject: Quick notes on a few things we're hearing

- * Orin Seybert called to ask that you spare the Aviation Heritage Museum capital grant of 250K. He says it all goes into keeping the museum functioning for the general public.
- * Jesse Lee Home supporters called asking that you spare that appropriation. Privileged or Pers
 Privileged or Personal Material Redacted

- * Telecommunications—more concerns coming in that our ETS (Enterprise Technology Systems) group is a problem and that DOA doesn't have the firepower or outside knowledge/help to stave off entrenched Motorola interests. Privileged or Personal Material Redacted

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- * BP President Doug Suttle made a very strong statement in front of the Anchorage Chamber lunch (AOGA) that BP could not submit a conforming application under AGIA. (He didn't say why and didn't say they wouldn't submit.) This, after he made a point of coming over to me to say that you had phoned their CEO and he looked forward to a productive working relationship....

From:

Nizich, Michael A (GOV) [mike.nizich@aiaska.gov]

Sent:

Monday, June 25, 2007 10:46 AM

To:

gov.sarah@yahoo.com; Tibbles; Michael A (GOV)

Cc: Subject: Perry; Kristina Y (GOV)

RE: Riders/Interior Appropriations

Governor,

I have a call into Katz to further explain the riders issue. I talked to Privileged of this morning and will be working to see what other positions we can figure out for her to work in. As for security, I am waiting to see what options Mike wants to go with as laid out in the security proposal.

----Original Message----

From: gov.sarah@yahoo.com [mailto:gov.sarah@yahoo.com]

Sent: Monday, June 25, 2007 10:03 AM

To: Tibbles, Michael A (GOV); Nizich, Michael A (GOV)

Cc: Perry, Kristina Y (GOV)

Subject: Fw: Riders/Interior Appropriations

Not sure what this msg is about - before I contact Katz do you guys have info on this topic?

Also, as I sit with Karen R today on budget cuts I'll be reducing Mansion staff and Security amounts so want to make sure you guys have folks prepared for that. Thanks!

Sent from my BlackBerry[®] device from Cellular One

----Original Message----

From: "John Katz" <jwkatz@ALASKADC.org>

Date: Mon, 25 Jun 2007 09:30:41

To: "Chris Fluhr" < Chris. Fluhr@mail. house.gov>

Cc:"Sam Bishop" <sbishop@ALASKADC.org>,"Dan Kish" <Dan.kish@mail.house.gov>,"Kevin
Kennedy" <kevin.v.kennedy@mail.house.gov>

Subject: Riders/Interior Appropriations

I know that you have been working with Sam on some of the likely = riders to the Interior Appropriations bill. I am depressed to = realize how many there are that may affect

With all of this in mind, I want to see whether there is anything = further we can do to help. I know the situation in the House. = So, I'm not expecting miracles, but I'm hoping that there's a way for us = to give a good accounting of ourselves.

Any information you can provide would be appreciated. If a = telephone call is easier, let's do that.

Sorry to bring all of this to you on Monday morning.

Please note that my email address has = changed. My new email address = is <mailto:jwkatz@alaskadc.org> jwkatz@alaskadc.org. = Thank you .

From:

gov.serah@yahoo.com

Sent:

Monday, June 25, 2007 7:00 AM

To:

Spencer; Kari L (GOV); Tibbles; Michael A (GOV); Rutherford; Martha K (DNR); Irwin; Tom E

(DNR); Patrick S Galvin

Cc: Subject:

Balash; Joseph R (GOV)
Re: Note from Tony Hayward

Sent from my BlackBerry® device from Cellular One

----Original Message----

From: "Spencer, Kari L (GOV)" <kari.spencer@alaska.gov>

Date: Mon, 25 Jun 2007 05:56:32

To:gov.sarah@yahoo.com, "Tibbles, Michael A (GOV)" <mike.tibbles@alaska.gov>

Subject: Fw: Note from Tony Hayward

---- Original Message -----

From: Hayward, Tony B <HaywardT@bp.com>

To: Spencer, Kari L (GOV)

Sent: Mon Jun 25 00:00:16 2007

Subject: Note from Tony Hayward

Dear Governor Palin,

Thank you for your recent telephone call. The Alaska Gas Project is very important to BP, as is our entire Alaska business, and for that reason I have assigned executive accountability for the project to Andy Inglis who succeeded me as CEO of Exploration and Production for BP. Andy is very familiar with Alaska, having worked and lived their in the past. Andy looks forward to meeting with you in Alaska when a convenient time can be arranged. I have also requested that Doug Suttles, President BP Exploration Alaska and our senior representative in Alaska, meet with you in the near future to ensure that you have appropriate access to BP to discuss Alaska Gas and any other matters relating to our business in Alaska.

Thank you again for your call.

Yours Sincerely

Tony Hayward

Tel: +44-20-7496 5043

Fax: +44-20-7496 4626

Mob: +44-7900 226851

email: francispj@bp.com <mailto:francispj@bp.com <mailto:francispj@bp.com >

BP p.l.c. Registered office: 1 St James's Square, London, SW1Y 4PD. Registered in England and Wales, number 102498

From: Sean R Parnell [sr_parnell@gov.state.ak.us]

Sent: Monday, June 25, 2007 1:48 PM

To: gov.sarah@yahoo.com

Subject: Quick notes on a few things we're hearing

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2. **Jesse Lee Home** supporters called asking that you spare that appropriation. Privileged or F Privileged or Personal Material Redacted

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- 4. BP President Doug Suttle made a very strong statement in front of the Anchorage Chamber lunch (AOGA) that BP could not submit a conforming application under AGIA. (He didn't say why and didn't say they wouldn't submit.) This, after he made a point of coming over to me to say that you had phoned their CEO and he looked forward to a productive working relationship....

From: Seen R Pernell [sr_parnell@gov.state.ak.us]

Sent: Moriday, June 25, 2007 1:48 PM

To: gov.sarah@yahoo.com

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